

KATHLEEN BABINEAUX BLANCO GOVERNOR

H. CHARLES GAUDIN CHAIRMAN

ANNE LACOUR NEER
EXECUTIVE DIRECTOR

DECISION OF THE LOUISIANA GAMING CONTROL BOARD

GREEN PARK INDUSTRIES, INC. D/B/A LAKEVIEW LOUNGE No. 080011494

AND

GREEN PARK INDUSTRIES, INC. D/B/A LAKEVIEW GAMING

No. 0800612464

This is an appeal by the State of Louisiana, Office of State Police, Video Gaming Division, from a decision of the Hearing Officer imposing a civil penalty of Five Hundred Dollars (\$500) on Green Park Industries, Inc. D/B/A Lakeview Lounge, No. 080011494, and Five Hundred Dollars (\$500) on Green Park Industries, Inc. D/B/A Lakeview Gaming, No. 0800612464.

After careful review of the record and based on the facts and for the reasons assigned in the decision of the Hearing Officer which we attach hereto and adopt as our own, we find the Hearing Officer's decision should be affirmed.

ORDER

This matter having been considered by the Louisiana Gaming Control Board at its meeting of June 14, 2004:

IT IS ORDERED THAT the decision of the Hearing Officer is AFFIRMED.

THUS DONE AND SIGNED on this the 14 day of June, 2004.

LOUISIANA GAMING CONTROL BOARD

BY:

H. CHARLES GAUDIN, CHAIRMAN

LOUISIANA GAM. SEROL BOARD

I HEREBY CERTIFICATION OF SERVED ON

ALL PARTIES THIS

APPEAL BOCKET CLERK

STATE OF LOUISIANA GAMING CONTROL BOARD

ADMINISTRATIVE HEARING APRIL 6, 2004

HEARING OFFICER WILLIAM H. BROWN

IN RE: GREENPARK INDUSTRIES, INC. D/B/A LAKEVIEW LOUNGE NO. 080011494 AND LAKEVIEW GAMING NO.0800612464

Representative
Louisiana Gaming Control Board

IN RE: GREEN PARK INDUSTRIES, INC. D/B/A LAKEVIEW LOUNGE

NO. 080011494

And

GREEN PARK INDUSTRIES, INC. D/B/A LAKEVIEW GAMING

NO. 0800612464

APPEARANCES:

For the State of Louisiana

For Green Park Industries, Inc.

Tammy W. Matzke Assistant General Attorney 1885 North 3rd Street, Ste. 500 Baton Rouge, LA 70802

Jeffry L. Sanford Attorney at Law 5800 One Perkins Place, 5-F Baton Rouge, LA 70808

STATEMENT OF THE CASE:

On October 31, 2003 the Louisiana Gaming Control Board Issued a Notice of Recommendation of Revocation of Green Park Industries, Inc.'s d/b/a Lakeview Lounge Type 1 video license (establishment) and a Notice of Recommendation of Revocation of Green Park Industries, Inc.'s d/b/a Lakeview Gaming Type 6 video license (device owners) based on the unsuitability of its owner, Mr. R. D. McCoy.

STATE'S EXHIBITS:

Exhibit 1 Consent for Search

Exhibit 2 Photographs of Business Premises

Exhibit 3 Photographs of Private Residence

Exhibit 4 Louisiana State Police Evidence/Property Receipt

Exhibit 5 Louisiana State Police Voluntary Forfeiture Form

LICENSEES' EXHIBITS:

None

COURT'S EXHIBIT:

Exhibit Trooper-1 Diagram of premises

FINDINGS OF FACT:

On January 8, 2003 Mr. R. D. McCoy was the owner of Green Park Industries, Inc. d/b/a Lakeview Lounge and Lakeview Gaming, the Licensee of Type 1 and Type 6 video poker licenses. Mr. McCoy's premises were described as containing a bar connected to a marina. Exhibit Trooper-1 reveals a diagram of the bar, connecting walkway and the marina, with the pool hall located in the back of the marina.

Trooper James David Jernigan testified he commenced working with the Casino Gaming Section of the Louisiana State Police in October 2002. He stated he received information that Mr. McCoy had slot machine on his premises and with this information, contacted the Video Gaming Section to conduct an inspection of the premises. On January 7, 2004 an inspection was performed by Trooper Partin, who discovered "slot machines" on the premises owned by Mr. McCoy. This Information was delivered to Trooper Jernigan.

On January 8, 2004 Mr. McCoy signed a "consent to search" form of the premises located at 165 Green Park Road, Doyline, Louisiana. After the search and seizure of eleven (11) slot machines, Mr. McCoy executed a "voluntary forfeiture" form, which described the seized property as that shown on the evidence/property receipt. The receipt listed eleven (11) slot machines and a set of slot machine keys.

Mr. McCoy testified he purchased the slot machines at the Canton flea market in Canton, Texas in hopes of re-selling the machines as

novelty items. He stated that after transporting the machines to his premises, he would show prospective purchasers how the machines function. He said that he would give the prospective purchaser a token to insert so they could see how the machine functioned. He further explained that the slot machines would not take "coins". During his testimony Mr. McCoy stated:

- "Q. When you went there, did you go for the purpose of buying machines or why did you do?
- A. No. I was just there and I run into them. And I had known people there—I've been on the lake 50 years. And I knew people on the lake that had, you known, bought slot machines and put them in their house, not business, just individuals. And I knew there was no way I could use the machines, but I didn't know I wasn't supposed to own them. I didn't know that". Transcript, page 48, lines15-24.

APPLICABLE LAW:

La. R. S. 27:309(B) provides:

B. Any person who manufactures, distributes, sells, possesses, or operates a gambling device as described in R. S. 15:31, or a video draw poker device as described in this Chapter without the license required by this Chapter or at a location or on premises not authorized by the division shall, upon conviction, be imprisoned with or without hard labor for not more than ten years or be fined not more than ten thousand dollars, or both.

La. R. S. 15:31(B) provides:

B. As used in this section the term "gambling device" means: (1) any slot machine; or (2) any machine, mechanical or electronic device or any sort whatsoever with a cash automatic payout device; or (3) a pinball or other ball machine, mechanical or electronic device equipped with

a mechanism to release the number of free games or

replays and a mechanism to record the free games or free plays so released.

La. R. S. 27:310(B) provides:

- B. (1) No person shall be granted a license under the provisions of this Chapter unless the applicant has demonstrated to the division that he is suitable for licensing. For purposes of this Chapter, suitability means the applicant or licensee is:
 - (a) A person of good character, honesty, and integrity
 - (b) A person whose prior activities, arrest or criminal record if any, reputation, habits, and associations do not pose a threat to the public interest of this state or to the effective regulations of video draw poker, and do not create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and operations in the activities authorized by this Chapter and financial arrangements incidental thereto.
 - (c) Likely to conduct business as authorized by this Chapter in complete compliance with the provisions of this Chapter.

REASONS FOR JUDGMENT:

The facts in this case are simple and uncontested. Mr. McCoy, the owner of Lakeview Lounge and Lakeview Gaming, both video poker licensees, possessed eleven (11) slot machines that were not licensed nor were they antique. Does the law prohibit Mr. McCoy from owning these slot machines? I think so. La. R.S. 27:309(B) states that any person who possesses or operate a gambling device as described by R. S. 15:31 without the license required by law, if convicted, is guilty of a felony. R. S. 15:31 described a gambling device as "any slot machine". Since R. S. 27:309(B) references R.S. 15:31 for a definition of a gambling device, the definitions of a slot machine in La. R.S. 27:44 (24), La. R.S. 27:205 (32) and La. R.S. 27:353(14) are not controlling.

Suitability is the next question. The law requires an applicant to demonstrate to the Division that he is suitable for licensing. Mr. McCov has the burden of proving suitability. Mr. McCoy's establishments are licensed, thus sultability has previously been proven, otherwise, the license would not have issued. The question now is whether his possession of the eleven (11) slot machines makes him unsuitable. I think not! Mr. McCoy saw the slot machines at a flea market in Canton, Texas and decided to purchase them for resale, not for operation as a gambling device. He had no idea that possession of these machines constituted a criminal offense. The undersigned Hearing Officer was not aware that possession of a slot machine as a novelty item was against the law unless it was licensed or an antique. I truly believe Mr. McCoy was truthful in his testimony. Even so, a violation has occurred.

Considering the testimony, exhibits and foregoing reasons;

IT IS ORDERED that the Notice of Recommendation of Revocation previously issued herein be denied, however;

IT IS ORDERED that Green Park Industries, Inc. d/b/a Lakeview Lounge pay a civil penalty of Five Hundred and no/100 ((\$500.00) Dollars and Green Park Industries, Inc. d/b/a Lakeview Gaming pay a civil penalty of Five Hundred and no/l00 (\$500.00) Dollars.

Baton Rouge, this 20th day of April 2004.

LOCISIANA GAMIRO CONTROL BOARD I KEREBY CERTIFY THAT A CERTIFIED

William H. Bro€n

Hearing Office

A TRUE COPY ATTEST LOUISIANA GAMING CONTROL BOARD HEARING OFFICE

BATON ROUGE, LA _